THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) A delegation from Indo-Myanmar Chamber of Commerce & Industry (IMCCI) visited Yangon from May 23rd to 27th, 2005. As per the report of the IMCCI, the delegation requested for allotment of 2000 MT of teak, which was acceded to by the Government of Myanmar.

(c) No, Sir.

(d) Currently the negotiations are continuing with the objective of starting the implementation of the FTA with effect from 1st July, 2006.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Tax holiday for EOUs

1626. SHRI S.M. LALJAN BASHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Export Oriented Unit (EOU) have demanded that they also be given a Tax holiday on par with SEZs;

(b) if so, the specific demand in this regard;

(c) Government's reaction thereto;

(d) what other steps Government would take to create adequate incentives for EOU's to meet their challenges in the international market; and

(e) the steps proposed to increase the incentives being given to the Export Oriented Units in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) The Foreign Trade Policy, 2004—2009 provides for exemption from payment of Income Tax as per the provisions of Section 10A and 10 B of the Income Tax Act. Section 10 B of the Income Tax Act provides for exemption for the exports effected upto 31.3.2009. The Export Oriented Units had requested that the sunset clause may be removed. This has not been accepted on the ground that the long term export competitiveness must be built on comparative advantage and not on the basis of tax concessions.

(d) and (e) The EOU scheme was introduced with a view to provide an internationally competitive and hassle free environment for production of goods for export. It is the Government's endeavour to simplify regulations & procedures and thereby reduce the transaction cost for the industry.

FTA with China

1627. SHRIMATI N.P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that India and China are going to have a Free Trade Agreement;

(b) whether it is also a fact that the apex body of the Indian exporters FECO supported the move with a rider to have a nagative list which should include items like textiles, auto components, leather, etc.; and

(c) the progress of talks on the FTA with China?

THE MINISTER GF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHR1 JAIRAM RAMESH): (a) The India-China Joint Study Group has made a recommendation for evolving a China-India Regional Trading Arrangement comprising trade in goods and services, investments, investment promotion & facilitation and measures for promotion of economic cooperation in identified sectors.

(b) Yes, Sir.

(c) In pursuance to the recommendations of the Joint Study Group, a Joint Task Force to study in detail the feasibility of and the benefits that may derive from the China-India Regional Trading Arrangement has been constituted and its first meeting is scheduled to held on 13 March, 2006.

Grant of patents to inventions

1628. SHRI SANJAY RAUT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of inventions, which have been granted Patents by